

Indiana Law-to-Action Guide

Data Access and Audit Rights



This Indiana Law-to-Action Series is designed to help employers understand how to leverage new Indiana legislation intended to drive a more transparent, fair, and competitive healthcare market. Below is a plain-English summary of what the laws do and practical steps to take when seeking access to health plan data, exercising your health plan audit rights, and handling the issues that arise from both.

This document is not legal advice and does not replace plan-specific legal or fiduciary review. It is a high-level, action-oriented guide intended to help employers understand expanded rights and access to data under Indiana law, what you can do with this data as a plan sponsor, how to identify practical questions to raise with third-party administrators (“TPAs”) and pharmacy benefit managers (“PBMs”), and how to use these new laws as support when seeking access to data or to perform an audit of your health plan TPA or PBM. Four Indiana laws, together with two federal laws, strengthen employer rights to access data and conduct audits.

Federal and Indiana Laws Supporting Employers’ Data Access and Audit Rights

Summary:

Federal laws supporting data access and audit rights include the Consolidated Appropriations Act (CAA) of 2021, which established employers' rights to access claims data, and the CAA of 2026, which expanded those rights.

Indiana employers have even stronger legal support to access and audit their claims data. Indiana’s HEA 1259 (2024) is a ground-breaking law that grants employers access to 837 and 835 electronic transaction files, creating a unique opportunity to quantify hidden costs that have long obscured the true cost of employer-sponsored coverage.

Federal protections under the CAA, together with Indiana HEA 1259, HEA 1003, HEA 1004, and SEA 3, reinforce that plan sponsors are entitled to unredacted claims data and timely access to information needed to monitor their vendors.

What the laws do

Several laws reinforce employer authority:

- [Indiana HEA 1003](#) (2025) prohibits TPAs and PBMs from redacting claims data as trade secrets
- [Indiana HEA 1004](#) (2025) requires PBMs to provide requested claims data within 15 business days
- [Indiana HEA 1259](#) (2024) affirms employer ownership of claims data and expands audit rights
- [Indiana SEA 3](#) (2025) establishes fiduciary duties for TPAs and PBMs acting on behalf of plan sponsors
- [Federal Consolidated Appropriations Act \(CAA\)](#) (2021) prohibits gag clauses that restrict access to provider-specific cost and quality data
- [Federal Consolidated Appropriations Act \(CAA\)](#) (2026) expands PBM transparency through required drug-level reporting for large employers and plan-level reporting for all employers

Together, these laws support an employer’s right to obtain complete, unredacted claims data and to monitor vendor performance.

Why it matters to employers

Access to claims data and the ability to audit vendors are not optional compliance exercises. They are core fiduciary responsibilities.

Without regular audits and ongoing claims review, employers cannot reliably confirm that:

- Claims are paid according to plan terms
- Reimbursements are accurate
- Vendor contracts are being followed
- Overpayments are identified and recovered
- Compensation is being fully and accurately reported

Sample-based audits provide snapshots. Ongoing claims review provides visibility and accountability. These legal changes strengthen employer leverage when vendors resist transparency and reinforce that access to complete data is supported by law.

Action steps: What you should do now

STEP 01 AUDIT YOUR CLAIMS

Confirm when you last conducted an audit of your TPA or PBM. If it has been 18 months or more, start preparing to conduct one. Annual audits are best practice.

Start with the contract that expires soonest. Audit findings can create leverage in renewal negotiations.

Your audit should cover complete claims and payment data, as well as all sources of vendor compensation. For PBMs, include pharmacy payments, manufacturer revenue, and formulary-related incentives.

STEP 03 STRENGTHEN YOUR CONTRACTS

Review service agreements to ensure they provide:

- Clear access to claims data
- Meaningful audit rights
- Defined follow-up obligations
- Practical recovery mechanisms for identified overpayments
- Flag provisions that need to be renegotiated at renewal
- Negotiate in the new required disclosures under CAA, 2026, if entering a 3-year PBM contract; negotiate for no rebates, no spread pricing

If a TPA or PBM is uncooperative, consider using the RFP process to incorporate stronger transparency and audit terms in future agreements.

STEP 02 ESTABLISH REGULAR CLAIMS DATA REVIEW

Confirm that your plan receives claims data on a consistent basis and that the data is actively reviewed to ensure claims are being paid correctly and in accordance with plan terms. If not:

- Vet and select a data analytics vendor and/or a payment integrity vendor that can meet your claims review needs
- Use EFI's template data request letter and tailor it to your TPA or PBM
- Define the data layout needed for meaningful review
- Review your service agreement to understand recovery rights for overpayments

Ongoing claims monitoring strengthens oversight beyond periodic audits.

STEP 04 ADDRESS NON-COMPLIANCE

If a vendor asserts gag clauses or interferes with your ability to obtain required claims data:

- Report to the Indiana Department of Insurance
- Report to the U.S. Department of Labor (ERISA plans) or HHS (governmental plans)
- Address interference in your annual gag clause attestation if appropriate
- Violations of Indiana HEA 1259 are Unfair or Deceptive Practices
- Seek cooperative vendors through the RFP process

Federal and Indiana law support your right to this information.

Two **key action steps** for fiduciaries.

Conduct audits regularly (annually is best).

Monitor your service providers through ongoing claims review.